

AGENDA ITEM NO. VII - 3

AGENDA REPORT

OVERSIGHT BOARD FOR THE CITY OF MAYWOOD
AS SUCCESSOR AGENCY OF THE MAYWOOD
COMMUNITY REDEVELOPMENT AGENCY

DATE: MAY 23, 2012

TO: HONORABLE CHAIR AND MEMBERS OF THE OVERSIGHT BOARD

FROM/BY: ANDRE DUPRET, PROJECT MANAGER

SUBJECT: REVIEW, APPROVE AND ADOPT THE CITY OF MAYWOOD
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS II) FOR
THE PERIOD JULY 1, 2012 THROUGH DECEMBER 31, 2012

RECOMMENDATION

That the Oversight Board for the City of Maywood, as Successor Agency of the Maywood Community Redevelopment Agency, review, adopt and approve the City of Maywood Recognized Obligation Payment Schedule (ROPS II) as the final, audited Recognized Obligation Payment Schedule (ROPS II) for the period of July 1, 2012 through December 31, 2012.

FISCAL IMPACT

No fiscal impact with this action.

LEGAL REVIEW

The City Attorney has reviewed this staff report.

BACKGROUND

On December 29, 2011, in the *CRA v. Matosantos* case, the Court upheld ABX1 26 and invalidated ABX1 27 thereby eliminating redevelopment agencies and the voluntary option to pay to continue redevelopment. All redevelopment agencies in California were dissolved effective February 1, 2012 with assets, properties, and documents transferred to the successor agencies.

On January 27, 2012, the former-Maywood Redevelopment Agency board adopted the Enforceable Obligation Payment Schedule (EOPS) and adopted the Initial Recognized

Obligation Payment Schedule (IROPS) under H & S §34169 and remitted those reports to the City of Maywood (City) as the Successor Agency.

On April 9, 2012, the Successor Agency adopted the Initial Recognized Obligation Payment Schedule (IROPS) in accordance with H & S §34177. During the final days of April, 2012, the auditing firm of Moss, Levy & Hartsheim, LLP, audited the records of the former Maywood Redevelopment Agency to verify the contents of the IROPS.

At a special meeting of the Oversight Board on May 9, 2012, the Board approved the ROPS which had previously been reviewed, approved and adopted by the Successor Agency on April 9, 2012 and forwarded the item, together with supporting resolution, to the State Department of Finance and other agencies as required.

DISCUSSION

Enforceable Obligation

Generally, under H & S §34171, an enforceable obligation means:

- a) Bonds, as defined by applicable code sections
- b) Loans
- c) Payments required by federal and state governments
- d) Judgments and settlements
- e) Any legal and binding agreement
- f) Contracts necessary for administration or operations of the successor agency
- g) Amounts borrowed from or owed to RDA Low Mod Fund
- h) Excludes certain loans between agencies creating the redevelopment agency and within certain periods.

Recognized Obligations Payment Schedule (ROPS II) – Covering July 1, 2012 through December 31, 2012

The Oversight Board must review, approve and adopt the ROPS II in order to be certified. In order to be a certified, the ROPS II must be:

- 1) audited by an external auditor for accuracy
- 2) submitted to and approved by the Oversight Board
- 3) a copy of the ROPS II approved by the Oversight Board is submitted to the a) County Auditor Controller, b) California Dept of Finance, c) other agencies as require, and d) posted on website of Successor Agency.

Today, the Oversight Board will review and consider approving a resolution adopting the Recognized Obligations Payment Schedule (ROPS II) for the period covering July 1, 2012 through December 31, 2012. Should the Oversight Board approve the ROPS II, it will be part of a certification process that will deem it as the official Recognized Obligations Payment Schedule (ROPS II) covering the second half of the 2012 – 2013 Fiscal Year. Copies will be submitted to the County Auditor Controller, California Department of Finance and other agencies as required, including being posted on the website of the Successor Agency.

After adoption of the ROPS II, the Department of Finance has three business days to determine whether it needs to review it further. If it ultimately decides to review/audit the ROPS II, then it has ten days to complete its review/audit.

Attachments: 1) Resolution of the Oversight Board
2) ROPS II